

**OLD AGE
SECURITY PROGRAM**

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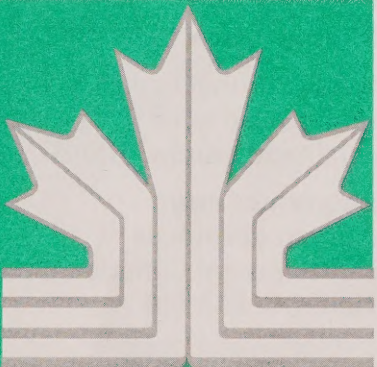
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June 1999

**Spouse's Allowance
and
Widowed
Spouse's Allowance**

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Human Resources
Development Canada

Développement des
ressources humaines Canada

Canada

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This booklet on the Spouse's Allowance and Widowed Spouse's Allowance contains general information only. In case of disputes, the wording and provisions of the *Old Age Security Act and Regulations* prevail.

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Enquiries Centre
Human Resources
Development Canada
Hull, QC K1A 0J9

FAX (819) 953-7260

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The Old Age Security Program

The Old Age Security program (OAS), which is financed from general revenues of the Government of Canada, is the cornerstone of Canada's retirement income system. The OAS is a monthly payment that goes to almost all people over 65 who have lived in Canada for a certain time.

OAS is different from the Canada Pension Plan (CPP). People pay into CPP when they work, and the program provides payments to workers and their families.

OAS and CPP combine with company pensions and retirement investments to provide Canadians with one of the best retirement income systems in the world.

This booklet describes the Spouse's Allowance and the Widowed Spouse's Allowance program—one of three Old Age Security (OAS) programs. The other OAS programs are:

The Old Age Security Pension

Most people over age 65 who meet the residence requirements receive this pension each month. For more information, see the booklet *Old Age Security Pension*.

The Guaranteed Income Supplement

The Guaranteed Income Supplement provides extra money to low-income pensioners. To be eligible to receive the Supplement, you must also be receiving the Old Age Security pension. For more information, see the booklet *Guaranteed Income Supplement*.

The Spouse's Allowance and the Widowed Spouse's Allowance

The Spouse's Allowance and the Widowed Spouse's Allowance provide money for low-income seniors aged 60 to 64. To get either of these benefits, you must meet the requirements explained in this booklet. Section 1 describes the Spouse's Allowance; Section 2 describes the Widowed Spouse's Allowance; Section 3 contains information about both of these benefits.

Section 1—The Spouse's Allowance

APPLYING FOR THE SPOUSE'S ALLOWANCE

The Spouse's Allowance is available for low-income seniors who meet the following conditions:

- Your spouse receives or is entitled to receive the Old Age Security pension and the Guaranteed Income Supplement.

- You are 60 to 64 years old.
- You are a Canadian citizen or a legal resident at the time your Allowance is approved or when you last lived here.
- You have lived in Canada as an adult for at least 10 years.

If you have not lived in Canada as an adult for at least 10 years, you may still qualify. Canada has social security agreements with many countries. If you have lived in one of these countries or contributed to its social security system, you may qualify for a pension from that country, from Canada or from both countries. Call us for more information.

When our records show that you may be eligible for the Spouse's Allowance, we normally send you an application kit. You should complete the application and return it to us as soon as possible. If you don't apply right away, you could lose some benefits.

Normally, individuals must apply for the Allowance on their own behalf. If you are applying for someone else, please contact us for more information.

If you haven't received an application, but you think you may be eligible, please call us at the toll-free number listed at the end of this booklet.

What documents will I need to provide?

Depending on your situation, you will have to provide up to three kinds of documents with your application:

Birth or baptismal certificate—

Normally, you have to prove that you are between 60 and 64 years of age by submitting a birth or baptismal certificate. You do **not** have to provide these certificates if you applied for a benefit under the Canada Pension Plan and sent one of these documents at that time. If you cannot obtain one of these certificates, call us for information about other documents that may be acceptable.

Marriage certificate or statutory declaration—

If you are married, you must provide a marriage certificate.

Common-law couples must sign a “statutory declaration.” See below for more details.

Couples married in Canada—

If you don’t have your marriage certificate, there are two ways to get it:

- You can get a certificate from the church in which you were married.
- You can contact the Registrar of Vital Statistics in the capital city of the province or territory in which you were married.

Couples married outside Canada—If you don't know how to get a copy of your marriage certificate, call us.

Common-law relationships—You must provide a statutory declaration that states the date you and your spouse began living together. Call us for a copy of this form and for help to complete the declaration.

Citizenship or immigration documents—If you were **not** born in Canada, you must submit proof of your legal status in Canada such as citizenship or immigration documents. If you have not lived continuously in Canada since age 18, you must submit proof of all the dates you arrived in Canada and when you left. Usually, you do this with a passport.

The application kit contains more detailed information about these requirements.

HOW WE CALCULATE YOUR BENEFITS

We base the Spouse's Allowance on the combined annual income of you and your legal or common-law spouse. The following chart shows one person's maximum monthly benefits as of January 1, 1999. Most seniors get less

than these maximum amounts because they have income from other sources. These amounts may rise over time to keep up with inflation.

	Maximum monthly benefit	Maximum income*
Spouse's Allowance	\$728.83	\$21,888 (for the couple)

* We cannot give you benefits if your income, or the combined income of you and your spouse, other than the Old Age Security pension and Guaranteed Income Supplement, is more than the maximum income shown on the chart.

What do you consider to be income?

When applying for the Spouse's Allowance, you must report the following income:

- Canada Pension Plan or Quebec Pension Plan benefits
- Private pension income and super-annuation
- Foreign pension income
- RRSPs that you cashed
- Employment Insurance benefits
- Interest on any savings
- Any capital gains or dividends

- Income from any rental properties
- Any employment income
- Income from other sources

Benefits from the Old Age Security program are **not** counted as income. Consult the application form for more details about what to include as income.

What happens if our income drops?

In some situations, like when you stop working or when your pension income drops, we can calculate your Spouse's Allowance by estimating your combined income for this year, instead of using last year's income. If you or your spouse have a lower income **this** year for either of these reasons, you should let us know. Your benefits may increase.

RECEIVING THE SPOUSE'S ALLOWANCE

Usually, your Spouse's Allowance will begin on the month following your 60th birthday, the month after you've met the residence and income requirements or the month your spouse qualifies for the Guaranteed Income Supplement. If you apply late and are eligible, you can receive a back

payment of up to 12 months. You must renew your benefits each year (see page 18).

Can my benefits stop?

We stop paying the Spouse's Allowance if one of the following things happens:

- Your combined income in the previous year is more than the maximum allowed.
- You leave Canada for more than six months in a row (see page 21).
- You do not reapply each year.
- Your spouse dies. In this case, you will automatically begin to receive the Widowed Spouse's Allowance. See Section 2 on page 12.
- You die.

What happens when I turn 65?

At age 65, most people who receive the Spouse's Allowance will have their benefit automatically changed to the Old Age Security pension. They may then also be able to receive the Guaranteed Income Supplement. See the booklets *Old Age Security Pension* and *Guaranteed Income Supplement* for more information.

What if we separate?

If you have been separated from your spouse, your Spouse's Allowance will end. As of July 1999, the Allowance ends after a separation of three months. If you or your spouse are separated for reasons beyond your control (for example, one of you has to live in a hospital or nursing home), please call us for more information.

Section 2—Widowed Spouse's Allowance

APPLYING FOR THE WIDOWED SPOUSE'S ALLOWANCE

The Widowed Spouse's Allowance provides money for low-income seniors who meet the requirements below:

- You are 60 to 64 years old.
- You are a Canadian citizen or a legal resident at the time your Allowance is approved or when you last lived here.
- Your legal or common-law spouse has died.
- You have lived in Canada as an adult for at least 10 years.

If you have not lived in Canada as an adult for at least 10 years, but you have lived or worked in a country that has an international social security agreement with Canada, you may still qualify. Call us for more information.

If you meet these conditions, please call us at one of the numbers listed on the last page of this booklet. We will send you an application kit for the Widowed Spouse's Allowance. Please complete it and return it quickly. If you do not apply right away, you might lose some benefits.

What documents will I need to provide?

Depending on your situation, you will have to provide up to four kinds of documents with your application:

Birth or baptismal certificate—

Normally, you have to prove that you are between 60 and 64 years old by submitting a birth or baptismal certificate. You do **not** have to provide these certificates if you applied for a benefit under the Canada Pension Plan and sent one of these documents at that time. If you cannot obtain either of these certificates, call us for information about other documents that may be acceptable.

Marriage certificate or statutory declaration—If you were married, you must provide a marriage certificate. If you lived in a common-law relationship, you must sign a “statutory declaration.” See below for more details.

Couples married in Canada—If you don’t have your marriage certificate, there are two ways to get it:

- You can get a certificate from the church in which you were married.
- You can contact the Registrar of Vital Statistics in the capital city of the province or territory in which you were married.

Couples married outside Canada—If you don’t know how to get a copy of your marriage certificate, call us.

Common-law relationships—You must provide a statutory declaration that states the dates you and your spouse lived together. Call us for a copy of this form and for help to complete the declaration.

Citizenship or immigration documents—If you were **not** born in Canada, you must submit proof of your legal status in Canada such as citizenship or immigration documents. If you have not lived continuously in Canada since age 18, you must submit proof of

all the dates you arrived in Canada and when you left. Usually, you can do this with a passport.

Death certificate—You must send us proof of your spouse's date of death.

The application kit contains more detailed information about these requirements.

HOW WE CALCULATE YOUR BENEFITS

Generally, we base the Widowed Spouse's Allowance on your previous year's income. The chart below shows one person's maximum monthly benefit as of January 1, 1999. Most seniors get less than these maximum amounts because they have income from other sources. These amounts may rise over time to keep up with inflation.

	Maximum monthly benefit	Maximum income*
Widowed Spouse's Allowance	\$804.64	\$16,032

* We cannot give you benefits if your income is more than the maximum amount.

What do you consider to be income?

When applying for the Widowed Spouse's Allowance, you must report the following income:

- Canada Pension Plan or Quebec Pension Plan benefits
- Private pension income and superannuation
- Foreign pension income
- RRSPs that you cashed
- Employment Insurance benefits
- Interest on any savings
- Any capital gains or dividends
- Income from any rental properties
- Any employment income
- Income from other sources

Consult the application form for more details about what to include as income.

What happens if my income drops?

In some situations, like when you stop working or when your pension income drops, we can calculate your Widowed Spouse's Allowance by estimating your income for this year, instead of using last year's income. If you have a lower income **this** year for either of these reasons, you should let us know. Your benefits may increase.

What if I remarry?

If you remarry, your Widowed Spouse's Allowance will end. It will also end if you live in a common-law relationship for at least one year. You must notify us of any changes.

RECEIVING THE WIDOWED SPOUSE'S ALLOWANCE

Once your application is approved, your Widowed Spouse's Allowance will begin on the month following your 60th birthday, the month after you meet the 10-year residence and income rule, or the month following your spouse's death, whichever is later. If you apply late, you can receive a back payment of up to 12 months if you are eligible. You must renew your benefits each year (see page 18).

Can my benefits stop?

We stop paying the Widowed Spouse's Allowance if one of the following things happens:

- Your income in the previous year is more than the maximum allowed.
- You are absent from Canada for more than six months.
- You do not reapply each year.
- You remarry or live in a common-law relationship.

- You die.

What happens when I turn 65?

At age 65, most people who receive the Widowed Spouse's Allowance will have their benefit automatically changed to the Old Age Security pension. They may then also be able to receive the Guaranteed Income Supplement. For more information, see the booklets *Old Age Security Pension* and *Guaranteed Income Supplement*.

Section 3—General Information about the Spouse's Allowance and the Widowed Spouse's Allowance

RENEWING YOUR BENEFITS

The Spouse's Allowance and the Widowed Spouse's Allowance are both based on annual income. Since your annual income can change from year to year, **you must renew your Allowance each year.**

However, beginning in 1999, most seniors can renew their Allowance automatically. In most cases, if you file your income tax return by April 30, Revenue Canada will give us the necessary income information.

If you do not file a tax return, or if we need more information, we will send you a renewal form. If you receive a form from us, you must complete and return it as soon as you have all the necessary income information.

Each July, you will receive a letter that tells you the amount of your new monthly payment. Note that we used to do this each April, but starting in 1999 we will give you more time to reapply.

If you do not reapply for the Allowance in the spring, or if your income is high enough so that you no longer need it, your payments will end starting in July of that year. But your Allowance stops when you reach 65 and are eligible for OAS.

When do payments arrive?

Payments usually arrive in the last three banking days of each month. If your payment is late more than a week, or if you lose your payment, please call us.

Can you send the payment to my bank?

Yes. Normally, we deposit your Allowance payment directly into your bank account through our Direct Deposit service. Although payment by cheque is still possible, Direct Deposit offers several advantages:

- Your deposit will always be on time and you can start using the money and earning interest immediately.
- Your payment can never be lost, stolen or damaged.
- Your payment will automatically be deposited into your account if you are ill, on vacation or travelling.

Call us to learn more about this free service. If you wish to sign up for the service over the telephone, be sure to have this information when you call:

Personal Information

- your Social Insurance Number;
- your telephone number, including the area code; and
- your current residential address, including the postal code.

Banking Information

- the name of your bank or financial institution;
- the branch number of the bank; and
- your bank account number.

If you have a chequing account, you can find the banking information on your cheque.

What happens if I move?

If you are planning to move, you must tell us your new address and postal code as soon as possible. This will allow us to update our records and make sure that your payment gets to you on time. Even if your payments are deposited directly into your bank account, we still need to know your new address so we can send you important information and your yearly income tax slip.

Can I receive my Allowance outside Canada?

The Government of Canada designed this program to support low-income seniors living in Canada. For this reason, if you spend more than six months in a row outside Canada, we will pay you for the month you leave, and for six months after that. Then payments will stop. For example,

if you left Canada in January, we would send payments until the end of July. After July, the payments would stop.

If you **do** stay outside Canada for a longer period, you can always reapply when you return to live in Canada. Whether you live in Canada or abroad, we pay the Allowance in Canadian dollars.

Will I get cost-of-living increases?

We will increase your Allowance payments to reflect any increases in the cost of living as measured by the Consumer Price Index. We apply any increases every three months—in January, April, July, and October.

The Allowance will **not** go down if the cost of living falls.

FILING YOUR INCOME TAX RETURN

Your Allowance is **not** considered taxable income. However, you must still report it on your tax return.

APPEALING A DECISION

If you disagree with a decision that affects your Allowance, you have the right to an explanation. Call us first and we can usually settle the matter. If you are not satisfied with our response, you may request a “reconsideration.” To do this, you must send a letter to the Regional Director of Income Security Programs within 90 days of receiving notice of our decision. Please call us for the mailing address for your region. In your letter, tell the Regional Director:

- your name;
- your address;
- your Social Insurance Number; and
- your reason(s) for making the appeal.

If you are not satisfied with the Regional Director’s response, you can appeal the decision to a Review Tribunal.

PROTECTING INFORMATION ABOUT YOU

Your privacy is protected.

The *Old Age Security Act and Regulations* ensure that only specific agencies authorized by the Minister of Human Resources Development Canada are entitled to review relevant parts of your records. Personal information in your file **cannot** be given to other agencies or individuals without your consent.

The *Access to Information Act* also prevents the release of information about you without your consent. However, there are two exceptions: information can be released if it has already been made public or if the release is allowed under the *Privacy Act*. The government can **only** use information for the purpose for which it was collected, except to comply with a warrant or subpoena, or to enforce a law.

Can I have access to information on my file?

You have the right to review information about you that is kept on file by the Government of Canada. To help citizens get access to information

about themselves, the Government has published *Info Source: Sources of federal government information*. To make a request, you must complete an information request form. These forms and *Info Source* are available in government offices open to the public, such as a Human Resources Development Canada office. They are also available at public libraries, most rural post offices and in Canadian missions abroad.

OTHER PUBLIC RETIREMENT BENEFITS

If you contributed to either the Canada Pension Plan or the Quebec Pension Plan in at least one year from January 1966, you may be eligible for a retirement pension at age 65. If you have retired or substantially reduced your hours of work, you could also qualify for a reduced retirement pension as early as age 60.

Disability and survivor benefits are also available under the Canada Pension Plan and the Quebec Pension Plan if sufficient contributions have been made. You must apply to receive any of these benefits.

Call us for more information about the Canada Pension Plan. For more information on the Quebec Pension Plan, contact:

La Régie des rentes du Québec
P.O. Box 5200
Québec, QC G1K 7S9

You may be entitled to benefits under the Employment Insurance program. Please contact your local Human Resource Centre of Canada.

You may also be entitled to benefits from other federal programs such as War Veterans Allowances. Contact Veterans Affairs Canada for more information.

Your provincial and municipal governments may offer income assistance and services to seniors. Please contact these governments directly.

More Information

For more information about the Old Age Security program and the Canada Pension Plan, please call Human Resources Development Canada at the telephone numbers below. The calls, which are free of charge, can only be made within North America.

1 800 277-9914 (English)

1 800 277-9915 (French)

If you have a hearing or speech impairment and you use a TDD/TTY device, please call **1 800 255-4786**.

Our lines are busiest at the beginning and end of each month. If your business can wait, it's best to call at other times.

Please have your Social Insurance Number ready.

The following booklets, as well as information on international social security agreements, are available from Human Resources Development Canada:

Old Age Security Pension

Guaranteed Income Supplement

Retirement Pension — Canada Pension Plan

Disability Benefits — Canada Pension Plan

Survivor Benefits — Canada Pension Plan

Credit Splitting upon divorce or separation — Canada Pension Plan

Much of this material is also available on the Department's Web site:
www.hrdc-drhc.gc.ca

NOTES

